

## 5. ESTIMATED BENEFITS

This section presents the results of the analysis of Project EASI/ED benefits summarized by subject area. Each subject area is presented in a separate subsection. Within the subsections the benefits are grouped into quantitative and qualitative benefits. Quantitative benefits are further classified into recurring and non-recurring benefits. Qualitative benefits are presented in narrative form. The benefits described in the section include any savings accruing to the ED or other financial aid community members as a result of the implementation of Project EASI/ED. The benefit summaries will be derived from the detailed information in the appendices.

Based on the analysis of quantitative and qualitative benefits, each function is evaluated against the evaluation criteria defined in Section 2. Each function receives a score for each criterion that measures the extent to which the function provides that criterion in relation to the current Title IV systems. Figure 5-1 shows the evaluation scale.

Weight	Relative Strength within a Criteria Category
1	Provides Low Levels of the Criteria
3	Provides Above Average Levels of the Criteria
5	Provides Very High Levels of the Criteria

### 5.1.1

**Figure 5-1, Evaluation Scale**

Subsections 5.1 to 5.6 present the benefits for each Project EASI/ED subject area.

## 5.1 Information Sharing

The information sharing subject area contains one function; interactive student and aid organization accounts. All of the quantifiable benefits in this subject area stem from reduced operating costs in delivering information to students and aid organizations through interactive technologies utilized by Project EASI/ED. The quantifiable cost savings come from subtracting Project EASI/ED costs in the Appendix B cost summaries from the current system costs located in the same appendix.

### 5.1.1 Information Sharing Quantitative Benefits

The function of interactive student and aid organization account management saves considerable operating expense from FY2000 through FY2007. All of the potential savings are derived from improvement in operating costs rather than quantifiable benefits to students and schools from improved information access. Table 5-1 below shows overall cost savings from the years 2000 through 2007 both in terms of life cycle cost and net present value. This function provides a strong positive NPV.

Function Number	Target Function	Cost Category	Totals
1	Interactive Student and Aid Organization Accounts	Recurring Benefits	\$4,895,560
		Non-Recurring Benefits	\$57,241,517
		Subtotal by Function	\$62,137,077
		Present Value By Function	\$45,824,127
		Total EASI/ED Benefits for Functional Area / Year	
		Total EASI/ED Life Cycle Cost for Functional Area	\$62,137,077
		Total Present Value Benefits	\$45,824,127

**Table 5 - 1, Information Sharing Benefit Summary**

### 5.1.2 Information Sharing Qualitative Benefits

The qualitative benefits of interactive student and aid organization accounts come primarily from the technological improvement of interactive access to an integrated account database. The interactive account access improves aid delivery and management anywhere the student or aid organization must provide or utilize information to initiate action or make decisions with respect to Title IV programs. In this context, information sharing cuts across many areas and functions in the Project EASI/ED system. The discussion below presents many of these cross functional qualitative improvements.

#### 5.1.2.1 Interactive Student and Aid Organization Accounts

- A. Improved information resource.
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.).
  - Borrower access to entire Title IV aid portfolio from a single source.
  - Immediate assessment of student indebtedness and repayment status, identification of all loan holders. Improved debt management.
  - Secured access/delivery of data to only authorized parties.
- B. Improved customer service
  - Immediate feedback on student aid account status, debt levels and business information.
  - "Near real time" turnaround on student aid transactions.
  - Direct student involvement in service selection and delivery.
  - Student-focused system for data collection and access, financial aid and support service delivery.
- C. Improved program management and integrity
  - Ensures delivery of correct amount of aid to correct recipient at correct time
  - Minimizes error due to ignorance of fact.
  - Streamlines the application processes through data sharing.

One broader form of information sharing concerns the import of data from external databases to populate and verify application, deferment and other financial aid interactions. Use of IRS, Department of Defense (DoD), state departments of labor, and other government databases is proposed for this purpose. Other functions address this issue, but one key feature of the information sharing requirement concerns

common data standards and facilitated data importation. This should cut down on fraud, mistakes and improve program coordination. Some aspects of these improvements are calculated in later functions.

This sharing of information allows for the release of aid eligibility information, with applicant consent, to state and private scholarship organizations that seek recipients for their funds. This capability will expand the delivery of available funds to qualified students previously unknown to fund sources.

Integrated data should provide ED with more timely data across program boundaries. Integration should improve the delivery of global student aid information expanding on the current role of NSLDS by making it easier for aid organizations to provide data input into a central database. With more current information, the Department could focus on the job of evaluating the efficacy of its aid programs and of adjusting them according to student needs.

Project EASI/ED expects to obtain more data from the original source, such as students, thus reducing the opportunity for error due or delays in reporting changes. Additionally, by obtaining some data from external databases (e.g., IRS), the burden on less reliable providers (e.g., students initially applying for aid) of providing accurate and complete data may also be reduced.

To the maximum degree possible, Project EASI/ED envisions using standardized data formats and capitalizing on techniques such as electronic commerce (e.g., Electronic Data Interchange [EDI]). Realistically, the system will also accommodate other forms of input recognizing the fact that the postsecondary education community services a participant base that often acts without direct access to technology and without highly developed technological skills.

Use of an integrated database to support all ED Title IV applications eliminates redundancy and minimizes the potential for conflicting data obtained from various sources. Under Project EASI/ED, it is envisioned that students, schools, lenders, guarantors, and other participants would submit each piece of data required only once, and that all system users would share the resulting set of data.

Based on the above analysis, this function is assigned the ratings shown in Figure 5-2 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>INFORMATION SHARING</b>					
1	Interactive Student and Aid Organization Accounts	5	5	3	3	3

**Figure 5-2, Interactive Student and Aid Organization Accounts Criteria Ratings**

## 5.2 Application

This subsection summarizes the quantitative and qualitative benefits for the application subject area.

### 5.2.1 Application Quantitative Benefits

The improved application functions show dramatic cost improvements due to improved integration, data communication and error and fraud prevention. The implementation of consistent mechanisms to check Pell Grant applications against tax records will save tens and possibly hundreds of millions of dollars if Project EASI/ED is designed to receive data from external agencies. Savings of this nature would payoff the Project EASI/ED investment rapidly. The common data standards incorporated in Project EASI/ED will facilitate this goal. Table 5-2 presents overall cost savings for the years 2000 through 2007 in terms of LCC and NPV.

Function Number	Target Function	Cost Category	Totals
2	Interactive Application Processing and Renewal	Recurring Benefits	\$514,506,257
		Non-Recurring Benefits	\$899,764,252
		Subtotal by Function	\$1,414,270,509
		Present Value By Function	\$846,458,076
3	Pre-Enrollment Financial Aid Simulation Modeling	Recurring Benefits	-\$35,416,155
		Non-Recurring Benefits	-\$724,478
		Subtotal by Function	-\$36,140,633
		Present Value By Function	-\$20,544,321
4	Multi-Year Promissory Note Processing	Recurring Benefits	-\$293,594,295
		Non-Recurring Benefits	\$43,683,557
		Subtotal by Function	-\$249,910,739
		Present Value By Function	-\$144,386,926
		Total EASI/ED Life Cycle Cost for Functional Area	\$1,128,219,137
		Total Present Value Benefits	\$681,526,828

**Table 5 - 2, Application Benefit Summary**

As Table 5-2 reveals, function 2, interactive application processing and renewal, produces the largest positive benefit NPV. Cost savings in this area come from three origins, operating cost reduction, reduction in Pell Grant fraud and reduced application error rates. The quantifiable cost savings come from subtracting Project EASI/ED costs in the Appendix C cost summaries from the current system costs located in the same worksheet. These cost savings are detailed in Table C-2, Appendix C. Individual quantitative benefit calculations for reduced application errors and reduced Pell Grant fraud, which are associated with function 2 are described in Appendix C and shown in Tables C-7-1 and C-7-2 also in

Appendix C. Value Enhancement benefits from a reduction in promissory notes due to multi-year promissory note writing , as described in function 4 are in Table C-9-1, Appendix C.

The largest contributors by far are the first two areas of improved operating costs and reduced Pell grant fraud. These two area's roughly equivalent contributions to cost improvement add up to over a hundred million dollars a year. System integration and communication over public networks provide the justification of these savings. Instead of dedicating a block of the TIVWAN communications network, and spending contractor dollars on several application data entry systems, the department shifts communication costs to the Internet and allows participants themselves to enter data.

Functions 3 and 4 show negative NPVs because the analysis allocated no current system cost to these areas. Among these two functions, function 4, multiyear promissory note processing costs the most over the Project EASI/ED life cycle. However, the operating and cost savings generated in function 2 more than pay for them.

## **5.2.2 Application Qualitative Benefits**

### **5.2.2.1 Interactive Application Processing and Renewal**

#### **A. Streamlined and simplified student financial aid delivery process**

- Utilizes public networks for access by students
- Checks for errors and consistency in aid applications
- Secured access/delivery of data to only authorized parties
- Facilitates school admission process

#### **B. Improved program management and integrity**

- Ensures the eligibility of participants in aid programs to prevent fraud.
- Minimizes need for after-the-fact reconciliation of data
- Streamline the institution application for eligibility process, making the process less burdensome.

About 30 percent of all applicants are selected for further income verification. This means that schools must obtain a signed copy of the student or parents' income tax return or an IRS transcript. Obtaining, reviewing, resolving, filing, and storing the tax returns create a significant burden on schools. Some schools routinely require students to submit copies of tax returns just in case they need it for verification.

The current verification process also creates a burden for the IRS. Parents and students frequently must request copies of tax returns from the IRS. Locating hard copies of returns is time-consuming for the IRS and takes several weeks. These delays trigger follow-up telephone calls to the IRS because student aid may be delayed until the documentation is furnished.

A reduction in data quality problems will be realized by gathering more data from its source. Thus, the number of corrections to applications will decrease significantly. Project EASI/ED is expected to obtain more data from the original source, thus reducing the opportunity for error to be introduced in the data. Additionally, by obtaining some data from external databases (e.g., IRS), the burden of providing accurate and complete data on less reliable providers (e.g., students initially applying for aid) may also be reduced.

Project EASI/ED provides aid application, disbursement, and repayment counseling support for students. Project EASI/ED software would make counseling information available to supplement counseling currently provided by schools. Counseling support regarding repayment removes much of the burden for exit counseling from schools.

Project EASI/ED will eliminate the requirement for schools to generate Financial Aid Transcripts (FAT's). Once student-level data is maintained on all Title IV aid programs, and assuming that required Title VII aid is also covered, schools will be able to obtain complete financial aid histories from Project EASI/ED. This will eliminate the substantial burden incurred by schools to generate and respond to FAT requests. It will also improve the quality of information available to schools to support decisions regarding financial aid eligibility.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-3 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>APPLICATION</b>					
2	Interactive Application Processing and Renewal	3	5	3	3	5

**Figure 5-3, Interactive Application Processing and Renewal Criteria Ratings**

#### 5.2.2.2 Pre-Enrollment Financial Aid Simulation Modeling

- A. Improved customer service
- Improved aid and debt management by students.
  - Direct student involvement in service selection and delivery.
  - Student-focused system for data collection, financial aid delivery, support service delivery, and data access.
  - Secured access/delivery of data to only authorized parties

A feature of Project EASI/ED will be financial modeling capabilities for students, prospective students, and family members to enable them to estimate amounts of financial aid required for specific schools, to estimate eligibility, and to project repayment responsibilities associated with various levels of debt. This is expected to facilitate better long-term planning for postsecondary education and to support better debt management. Studies show that only 19% of middle-income families save money for their children's education. Average savings are \$5500.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-4 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>APPLICATION</b>					
3	Pre-Enrollment Financial Aid Simulation Modeling	3	5	1	1	1

**Figure 5-4, Pre-Enrollment Financial Aid Simulation Modeling Criteria Ratings**

#### 5.2.2.3 Multi-Year Promissory Note Processing

- A. Improved customer service
- Single note process for all student aid program and disbursements over multiple years.
  - Single account and loan consolidation features.
  - Improved repayment procedures.
  - Secured access/delivery of data to only authorized parties.

A multi-year promissory note (comparable to a line of credit) is intended to relieve aid recipients (students and parents) and schools from the burden of creating and signing individual promissory notes for each loan for each year. A multi-year promissory note is also envisioned as promoting borrower refinancing of all loans under a promissory note into a single loan, thus simplifying the repayment requirements (i.e., number of loan holders, number of monthly payments) for the borrower. Additionally the costs of imaging several promissory notes will be greatly reduced since there will be fewer multi-year promissory notes.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-5 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>APPLICATION</b>					
4	Multi-Year Promissory Note Processing	1	1	3	1	1

**Figure 5-5, Multi-Year Promissory Note Processing Criteria Ratings**

## 5.3 Disbursement

This subsection summarizes the qualitative and quantitative benefits for the disbursement subject area.

### 5.3.1 Disbursement Quantitative Benefits

Recurring and non-recurring benefits include quantifiable cost savings and any calculated quantifiable benefits. Cost savings come from subtracting Project EASI/ED costs in the Appendix D cost summaries from the current system costs located in the same worksheet. These costs are detailed in Table D-3A and D-3B, Appendix D. Function 5 also includes benefits from default reduction due to edit checks performed prior to any disbursement. Function 10 includes benefits from direct loan reconciliation savings. These calculations are described in Appendix D and presented in Table D-14-1 and TableD-19-1 also in Appendix D. Table 5-3 below presents overall cost savings for the years 2000 through 2007 in terms of LCC and NPV.

Function Number	Target Function	Cost Category	Total
5	Common Aid Origination	Recurring Benefits	\$267,823,559
		Non-Recurring Benefits	\$375,912
		Subtotal by Function	\$268,199,471
		Present Value By Function	\$163,197,529
6	Interactive Participant Disbursement Authorization	Recurring Benefits	-\$21,606,507
		Non-Recurring Benefits	-\$216,241
		Subtotal by Function	-\$21,822,748
		Present Value By Function	-\$12,682,891
7	Drawdown School Disbursement	Recurring Benefits	\$203,165,770

8	Authorization	Non-Recurring Benefits	\$2,326,414	
	Invoice and Schedule Disbursement Authorization	Subtotal by Function	\$205,492,183	
		Present Value By Function	\$124,633,812	
		Recurring Benefits	-\$82,104,725	
		Non-Recurring Benefits	-\$821,717	
		Subtotal by Function	-\$82,926,442	
		Present Value By Function	-\$48,194,984	
	9	Disseminate School Disbursement Information	Recurring Benefits	\$2,706,696
			Non-Recurring Benefits	\$5,573,485
			Subtotal by Function	\$8,280,181
Present Value By Function			\$5,258,871	
10	Perform Draw Down Reconciliation	Recurring Benefits	\$167,946,015	
		Non-Recurring Benefits	\$1,576,303	
		Subtotal by Function	\$169,522,318	
		Present Value By Function	\$102,108,959	
11	Fund Source Disbursement	Recurring Benefits	-\$5,935,907	
		Non-Recurring Benefits	\$5,486,989	
		Subtotal by Function	-\$448,918	
		Present Value By Function	\$185,715	
12	State Authorization Management	Recurring Benefits	-\$21,606,507	
		Non-Recurring Benefits	-\$216,241	
		Subtotal by Function	-\$21,822,748	
		Present Value By Function	-\$12,682,891	
13	Consolidation Processing	Recurring Benefits	\$118,671,947	
		Non-Recurring Benefits	-\$216,241	
		Subtotal by Function	\$118,455,706	
		Present Value By Function	\$71,776,586	
14	Enrollment Tracking and Reporting	Recurring Benefits	\$11,518,191	
		Non-Recurring Benefits	\$7,121,170	
		Subtotal by Function	\$18,639,361	
		Present Value By Function	\$13,526,291	
		Total EASI/ED Life Cycle Cost for Functional Area	\$661,568,365	
		Total Present Value Benefits	\$407,126,998	

**Table 5 - 3, Disbursement Benefit Summary**



## 5.3.2 Disbursement Qualitative Benefits

### 5.3.2.1 Common Aid Origination

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

ED oversees the delivery of roughly \$50 billion in student financial aid per year for the various student aid programs. The programs are largely diverse, with varying processes, procedures, and methods for accomplishing aid origination. The goal of this function is to standardize the origination process for student financial aid delivery.

In cases where there is a delay between aid origination (i.e., packaging) and aid disbursement, Project EASI/ED software will reconfirm student eligibility. The common and standardized data formats will allow the software to check more easily for defaults, grant overpayments, and eligibility in relation to aid threshold amounts. (The aggregate loan limit information held by the system should be much improved.) This is expected to decrease the number of repeat defaults on loans and to enable ED to ensure more efficiently that the correct amount of aid is reaching the correct, qualified recipient.

To the maximum degree possible, Project EASI/ED is envisioned to obtain data electronically, directly from the source, using standardized data formats and capitalizing on techniques such as electronic commerce (e.g., EDI). Realistically, the system is also required to accommodate other forms of input in recognition of the fact that the postsecondary education community services a participant base that is often without direct access to technology or highly developed system skills. EDI transaction batches will be considered for disbursements or origination where practical.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-6 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>DISBURSEMENT</b>					
5	Common Aid Origination	3	3	3	3	5

Figure 5-6, Common Aid Origination Criteria Ratings

### 5.3.2.2 Interactive Participant Disbursement Authorization

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved information resource

- Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
- Timely, accurate, full-life-cycle information
- Single point of interface with postsecondary education community regarding Federal financial aid
- Secured access/delivery of data to only authorized parties

C. Improved customer service

- "Near real time" turnaround on student aid transactions
- Direct student involvement in service selection and delivery
- Student-focused system for data collection, financial aid delivery, support service delivery, and data access
- Secured access/delivery of data to only authorized parties

Project EASI/ED is intended to provide the ultimate customer more control over the disbursement process. That customer is the participant.

Through Project EASI/ED, the participant authorizes disbursement of loan funds from the fund source (e.g., lender, ED) to the school. The participant may also direct that the disbursement amount be reduced from the amount authorized. If a participant has not authorized disbursement through Project EASI/ED within 30 days of the expected disbursement date, Project EASI/ED prompts the participant to authorize the disbursement or indicate that the funds are not wanted.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-7 for each of the criteria:

		30%	12%	34%	17%	7%
Functional Requirement	Project EASI/ED Subject Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
6	Interactive Participant Disbursement Authorization	1	3	3	3	

**Figure 5-7, Interactive Participant Disbursement Authorization Criteria Ratings**

### 5.3.2.3 Draw Down School Disbursement Authorization

A. Streamlined and simplified student financial aid delivery process

- Maximizes use of a single set of integrated processes for all programs across the life cycle
- Standardizes data exchanged among participants
- Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
- Secured access/delivery of data to only authorized parties

Modification of draw down disbursements of funds to schools to require origination records to be submitted by a school before any funds are disbursed to it will improve cash management by providing a tighter link between funds being disbursed using this method and individual recipients. Based on the above analysis, this function is assigned the following ratings shown in Figure 5-8 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
7	Draw Down School Disbursement Authorization	1	1	3	1	

**Figure 5-8, Draw Down School Disbursement Authorization Criteria Ratings**

### 5.3.2.4 Invoice and Scheduled Disbursement Authorization

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

Implementation of invoice (i.e., just-in-time) disbursement of funds to schools will greatly enhance cash management techniques. Under the invoice method of disbursement, schools would request funds from ED based upon student-level records submitted much closer to the planned disbursement date than is currently required for all programs. This is expected to improve cash management for both the schools and for ED, and to minimize reconciliation requirements and issues associated with excess cash residing at schools.

Within the invoice method, Project EASI/ED will allow split disbursements of Title IV aid funds between students and schools, at each school's discretion. This capability would enable schools to direct Project EASI/ED to direct Federal payments in part to the school (to cover tuition or other costs) and in part to students (when there are remaining funds). Schools exercising this option would be relieved of cutting checks or otherwise distributing remaining funds to students.

Project EASI/ED will improve processing of FFELP origination and disbursement records. Project EASI/ED will edit FFELP origination and disbursement records, using information unavailable to any individual lender, and accurately determine participant eligibility both at the point of origination and of disbursement.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-9 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%		12%		34%		17%		7%	
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings					
	<b>DISBURSEMENT</b>										
8	Invoice and Schedule Disbursement Authorization	3	3	3	3	1					

**Figure 5-9, Invoice and Schedule Disbursement Authorization Criteria Ratings**

### 5.3.2.5 Disseminate School Disbursement Information

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

Project EASI/ED will tighten the overall disbursement process from the lender's viewpoint. During the disbursement period, lenders receive disbursement records, adjustment transactions, and cancellation requests from Project EASI/ED. Lenders then notify Project EASI/ED of their acceptance or rejection of each of these transactions. Once a disbursement record (submitted by the school to Project EASI/ED) successfully passes all edits and the participant authorizes the disbursement, Project EASI/ED transmits to

the lenders authorization to disburse a loan. FFELP lenders disburse funds directly to the school or student, but also inform Project EASI/ED of each disbursement that is made.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-10 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
9	Disseminate School Disbursement Information	3	3	3	3	3

**Figure 5-10, Disseminate School Disbursement Information**

### 5.3.2.6 Perform Draw Down Reconciliation

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

Project EASI/ED performs reconciliation of draw down amounts disbursed to schools against disbursements, adjustments, and cancellation records received. Schools will be required to submit origination records to Project EASI/ED.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-11 for each of the criteria:

		30%	12%	34%	17%	7%
Functional Requirement	Project EASI/ED Subject Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
10	Perform Draw Down Reconciliation	3	1	1	1	

**Figure 5-11, Perform Draw Down Reconciliation Criteria Ratings**

### 5.3.2.7 Fund Source Disbursement

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

Project EASI/ED software will enable ED to calculate administrative expense allowance (AEA) amounts based upon detailed data instead of based upon summary information provided by guarantors on ED Forms 1130 or 1189. Data on these forms (if they are retained) then could be used to reconcile ED and guarantor records, reducing likelihood of errors.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-12 for each of the criteria:

		30%	12%	34%	17%	7%
Functional Requirement	Project EASI/ED Subject Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
11	Fund Source Disbursement	1	3	3	3	

**Figure 5-12, Fund Source Disbursement Criteria Ratings**

### 5.3.2.8 State Authorization Management

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

For State Student Incentive Grants (SSIG's), Project EASI/ED authorizes states to draw down funds based upon a funding formula that is applied to data from Project EASI/ED and from state-supplied information. Project EASI/ED will integrate the state aid process with other student financial aid delivery processes.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-13 for each of the criteria:

		30%	12%	34%	17%	7%
Function Number	Project EASI/ED Subject Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
12	State Authorization Management	3	3	3	3	

**Figure 5-13, State Authorization Management Criteria Ratings**

### 5.3.2.9 Consolidation Processing

- A. Streamlined and simplified student financial aid delivery process
- Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved customer service
- "Near real time" turnaround on student aid transactions
  - Direct student involvement in service selection and delivery
  - Student-focused system for data collection, financial aid delivery, support service delivery, and data access

- Secured access/delivery of data to only authorized parties

Project EASI/ED provides a seamless capability for borrowers, or for loan holders acting at borrowers' request, to request consolidation to an Federal Family Education Loan Program (FFELP) or Direct Loan Consolidation Loan through a single resource. The Project EASI/ED system would notify all affected parties of the consolidation request, and would facilitate the consolidation process by requesting and transmitting loan verification data.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-14 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	DISBURSEMENT					
13	Consolidation Processing	3	3	3	3	

**Figure 5-14, Consolidation Processing Criteria Ratings**

### 5.3.2.10 Enrollment Tracking and Reporting

- A. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties
- C. Improved customer service
  - "Near real time" turnaround on student aid transactions
  - Direct student involvement in service selection and delivery
  - Student-focused system for data collection, financial aid delivery, support service delivery, and data access
  - Secured access/delivery of data to only authorized parties

Project EASI/ED will perform enrollment tracking based upon total enrollment rather than on enrolled students who are receiving Title IV aid. This capability will decrease the burden on schools to provide enrollment data, since they will be able to "dump" their entire enrollment database from the registrar's or student financial aid office instead of having to identify financial aid recipients (often requiring coordination between the financial aid office, registrar, and ED). In addition, this will help prevent technical defaults for students who are eligible for in-school deferments by providing more complete visibility to current enrollment status when students transfer schools and do not continue receiving Title IV aid. Project EASI/ED will be able to notify a borrower and all associated loan holders of the borrower's eligibility for an in-school deferment.

The initiation of in-school deferments based upon current enrollment data is automatic unless the student declines the deferment.

Project EASI/ED will notify loan holders when there is a change in a borrower's enrollment status that would change their eligibility for aid. This capability will provide the loan holders more accurate, up-to-date information to use in managing their portfolios, and will decrease the burden on students to notify multiple loan holders if their enrollment status changes.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-15 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>DISBURSEMENT</b>					
14	Enrollment Tracking and Reporting	5	5	3	3	3

**Figure 5-15, Enrollment Tracking and Reporting Criteria Ratings**

## 5.4 Repayment

This subsection summarizes the quantitative and qualitative benefits for the repayment subject area.

### 5.4.1 Repayment Quantitative Benefits

In the case of every function within the repayment subject area, where quantitative benefits exist, cost savings come from improved Project EASI/ED operations. Cost savings come from subtracting Project EASI/ED costs in the Appendix E cost summaries from the current system costs located in the same worksheet. These cost savings are detailed in Table E-2. There are no special calculations for quantifiable benefits in the case of the repayment subject area. Table 5-4 below presents overall cost savings for the years 2000 through 2007 in terms of LCC and NPV.

Function Number	Target Function	Cost Category	Totals
15	Repayment Option Modeling and Selection/Repayment Counseling	Recurring Benefits	-\$23,948,005
		Non-Recurring Benefits	-\$1,221,128
		Subtotal by Function	-\$25,169,132
		Present Value By Function	-\$12,577,514
16	Customer Service Management	Recurring Benefits	\$41,554,525
		Non-Recurring Benefits	-\$1,351,658
		Subtotal by Function	\$40,202,867
		Present Value By Function	\$27,425,707
17	Repayment Maintenance	Recurring Benefits	\$308,265,727
		Non-Recurring Benefits	\$40,506,721
		Subtotal by Function	\$348,772,448
		Present Value By Function	\$215,141,165

18	Defaulted Debt Collection	Recurring Benefits	\$124,545,579
		Non-Recurring Benefits	\$41,945,755
		Subtotal by Function	\$166,491,334
		Present Value By Function	\$102,172,130
		Total EASI/ED Life Cycle Cost for Functional Area	\$530,297,516
		Total Present Value Benefits	\$332,161,488

**Table 5 - 4, Repayment Benefit Summary**

## 5.4.2 Repayment Qualitative Benefits

### 5.4.2.1 Repayment Option Modeling and Selection/Repayment Counseling

- A. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties
- C. Improved customer service
  - "Near real time" turnaround on student aid transactions
  - Direct student involvement in service selection and delivery
  - Student-focused system for data collection, financial aid delivery, support service delivery, and data access
  - Secured access/delivery of data to only authorized parties

Project EASI/ED provides aid application, disbursement, and repayment counseling support for students. Project EASI/ED software would make counseling information available to supplement counseling currently provided by schools. Counseling support regarding repayment is expected to remove much of the burden for exit counseling from schools.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-16 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>REPAYMENT</b>					
15	Repayment Option Modeling and Selection/Repayment Counseling	3	5	1	1	1



**Figure 5-16, Repayment Option Modeling and Selection/Repayment Counseling Criteria Ratings**

#### 5.4.2.2 Customer Service Management

- A. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties
- C. Improved customer service
  - "Near real time" turnaround on student aid transactions
  - Direct student involvement in service selection and delivery
  - Student-focused system for data collection, financial aid delivery, support service delivery, and data access
  - Secured access/delivery of data to only authorized parties

Project EASI/ED will reduce mailing costs associated with the massive amounts of customer service correspondence. Project EASI/ED expands the definition of customer to include participants, schools, lenders, guarantors, servicers, and other organizations involved in Title IV aid delivery.

It is reasonable to expect that some manual procedures will be automated as a result of Project EASI/ED implementation, as optimum use is made of technology and, at the same time, as greater demands are placed on ED to provide extensive customer service and to accommodate a full range of technology skill levels within the community. This will save both time and money.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-17 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>REPAYMENT</b>					
16	Customer Service Management	3	5	3	1	3

**Figure 5-17, Customer Service Management Criteria Ratings**

#### 5.4.2.3 Repayment Maintenance

- A. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties

B. Improved information resource

- Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
- Timely, accurate, full-life-cycle information
- Single point of interface with postsecondary education community regarding Federal financial aid
- Secured access/delivery of data to only authorized parties

C. Improved customer service

- "Near real time" turnaround on student aid transactions
- Direct student involvement in service selection and delivery
- Student-focused system for data collection, financial aid delivery, support service delivery, and data access
- Secured access/delivery of data to only authorized parties

Project EASI/ED provides the ability for borrowers to request deferment or forbearance on loans through a central resource. The Project EASI/ED system would notify all related loan holders of the borrower's request and would notify all loan holders when any one loan holder approves such a request. This results in reduced numbers of borrower requests needing to go to all loan holders. Additionally, loan holders can leverage off costs already sunk by one loan holder in processing these requests.

This function will prevent borrowers from entering technical default status by notifying all lenders of repayment status. This function will save time and money by correcting loans that are labelled (improperly) defaulted loans.

Under the income contingent repayment program, the annual repayment amount can vary depending on the borrower's income. To be eligible for this benefit, a borrower must authorize the IRS to disclose the borrower's income to ED for a period of five years. The borrower submits an authorization form, Consent to Disclosure of Tax Information, to an ED processing center which processes the forms and creates an optical image. The imaged records are transmitted daily to the IRS. Monthly, ED submits requests for income data for borrowers with approved agreements to IRS by tape. IRS then extracts the necessary data and returns it to ED.

Re-engineering the process and instituting a shared database will benefit all relevant parties with the appropriate access to the data. Much of the time consumed with satisfying existing complicated communications links will be eliminated, saving costs for all concerned.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-18 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>REPAYMENT</b>					
17	Repayment Maintenance	3	5	3	3	5

**Figure 5-18, Repayment Maintenance Criteria Ratings**

#### 5.4.2.4 Defaulted Debt Collection

A. Streamlined and simplified student financial aid delivery process

- Maximizes use of a single set of integrated processes for all programs across the life cycle
- Standardizes data exchanged among participants

- Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- B. Improved information resource
- Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties

Debt collection costs can be greatly reduced with a reengineered student financial aid delivery process. \$2 Billion in defaulted loans were received in FY 1996. This required 200 Federal employees and 1300-1400 contract employees to manage this huge amount of debt. Collection agencies are paid on a commission basis for the loans on which they collect. They receive additional money for 'administrative collections' (for example, if a person dies). Agencies also get a fixed fee for preparing cases for litigation, and commission fees on any wage garnishments that they set up.

Debt collection can reasonably expect to collect on about half of all the loans in its portfolio. Litigation with the Department of Justice is currently on paper, but there are long term plans to go to electronic communication, using EDI. In FY 1996, 8,300 cases were sent to litigation, compared to 20,000 cases in wage garnishment. Collection agencies can have a loan for 9 months to a couple of years, costing much time and effort.

Project EASI/ED will improve the borrower skip-tracing process with the use of an integrated database, thereby making it easier to track delinquent borrowers. This will save time and money in the amount of effort required to process delinquent borrowers.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-19 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>REPAYMENT</b>					
18	Defaulted Debt Collection	3	3	3	3	3

**Figure 5-19, Defaulted Debt Collection Criteria Ratings**

## 5.5 Program Management and Oversight

This subsection summarizes the quantitative and qualitative benefits for the program management and oversight subject area.

### 5.5.1 Program Management and Oversight Quantitative Benefits

Program management and oversight benefits come from cost savings and from benefits in function 19, school eligibility and data maintenance. Cost savings come from subtracting Project EASI/ED costs in the Appendix F cost summaries from the current system costs located in the same worksheet. These cost savings are detailed in Table F-2. Quantifiable benefits for function 19 entail savings from paper FISAP processing. These calculations are described in Appendix D and detailed in Table F-7-1 also in Appendix D. Table 5-5 below presents overall cost savings for the years 2000 to 2007 in terms of LCC and NPV.

Function Number	Target Function	Cost Category	Totals
19	School Eligibility and Data Maintenance	Recurring Benefits	\$243,596,633
		Non-Recurring Benefits	\$4,600,566
		Subtotal by Function	\$248,197,198
		Present Value By Function	\$145,876,412
20	Guarantor and Lender Information Maintenance	Recurring Benefits	-\$4,849,508
		Non-Recurring Benefits	\$3,289,929
		Subtotal by Function	-\$1,559,579
		Present Value By Function	\$97,891
21	Program Data and Performance Information Management	Recurring Benefits	\$90,255,629
		Non-Recurring Benefits	\$12,368,547
		Subtotal by Function	\$102,624,176
		Present Value By Function	\$62,323,784
		Total EASI/ED Life Cycle Cost for Functional Area	\$349,261,796
		Total Present Value Benefits	\$208,298,087

**Table 5 - 5, Program Management and Oversight Benefit Summary**

## **5.5.2 Program Management and Oversight Qualitative Benefits**

### **5.5.2.1 School Eligibility and Data Maintenance**

- A. Improved program management and integrity
  - Ensures delivery of correct amount of aid to correct recipient at correct time
  - Minimizes need for after-the-fact reconciliation of data
  - Streamline the institution application for eligibility process, making the process less burdensome.
- B. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- C. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties

A benefit that the schools consider important is an automatic generation of much of the information contained on the Fiscal Operations Report and Application to Participate (FISAP). Using student-level information reported on the Campus Based Programs, along with improved enrollment status data, schools will be relieved of much of the burden associated with generating the FISAP each year.

Generation of school certification applications will be made easier since information will already reside in the system. This capability would reduce the amount of information that schools must provide on certification applications by enabling them to provide only changed information. Additionally, the revised information would be submitted by the school directly to the Project EASI/ED system, eliminating the current requirement for ED/OPE/IPOS to manually enter the data.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-20 for each of the criteria:

		30%	12%	34%	17%	7%
Function Number	Project EASI/ED Subject Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	PROGRAM MANAGEMENT AND OVERSIGHT					
19	School Eligibility and Data Maintenance	3	3	3	5	5

**Figure 5-20, School Eligibility and Data Maintenance Criteria Ratings**

#### **5.5.2.2 Guarantor and Lender Information Maintenance**

- A. Improved program management and integrity
  - Ensures delivery of correct amount of aid to correct recipient at correct time
  - Minimizes need for after-the-fact reconciliation of data
  - Streamline the institution application for eligibility process, making the process less burdensome.
- B. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- C. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties

Throughout the student aid life cycle, guarantors and lenders will have access to pertinent Project EASI/ED data regarding participants and to factual data held within Project EASI/ED regarding their own organization.

This will assist guarantors and lenders in their skip-tracing process. This enhancement will also aid them in assessing student enrollment status.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-21 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>PROGRAM MANAGEMENT AND OVERSIGHT</b>					
20	Guarantor and Lender Information Maintenance	3	3	3	5	1

**Figure 5-21, Guarantor and Lender Information Maintenance Criteria Ratings**

### 5.5.2.3 Program Data and Performance Information Management

- A. Improved program management and integrity
  - Ensures delivery of correct amount of aid to correct recipient at correct time
  - Minimizes need for after-the-fact reconciliation of data
  - Streamline the institution application for eligibility process, making the process less burdensome.
- B. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- C. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties

Under Project EASI/ED, it is envisioned that lenders, guarantors, and other participants would submit each piece of data required only once, and that all system users, including ED researchers and analysts, would share the resulting set of data.

By obtaining data as close as possible to the original source and by using other databases to verify data where possible, the quality of data for Project EASI/ED is expected to be higher than the current systems allow. Additionally, easy and fast access to this data for all users is one of the prime themes underlying many of the Project EASI/ED requirements. And, since the data is shared by all parties, there will be fewer conflicts to reconcile.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-22 for each of the criteria:

Functional Requirement	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>PROGRAM MANAGEMENT AND OVERSIGHT</b>					
21	Program Data and Performance Information Management	5	3	3	3	3

**Figure 5-22, Program Data and Performance Information Management Criteria Ratings**

## 5.6 Accounting

This subsection summarizes the qualitative and quantitative benefits for the accounting subject area.

### 5.6.1 Accounting Quantitative Benefits

Accounting benefits come entirely from cost savings. Cost savings come from subtracting Project EASI/ED costs in the Appendix G cost summaries from the current system costs located in the same worksheet. These cost savings are detailed in Table G-2. Table 5-6 below presents overall cost savings for the years 2000 through 2007 in terms of LCC and NPV.

Function Number	Target Function	Cost Category	Totals
22	Integrated Accounting Management	Recurring Benefits	\$22,636,332
		Non-Recurring Benefits	\$41,931,815
		Subtotal by Function	\$64,568,147
		Present Value By Function	\$41,553,438
		Total EASI/ED Life Cycle Cost for Functional Area	\$64,568,147
		Total Present Value Benefits	\$41,553,438

Table 5 - 6, Accounting Benefit Summary

### 5.6.2 Accounting Qualitative Benefits

#### 5.6.2.1 Integrated Accounting Management

- A. Improved program management and integrity
  - Ensures delivery of correct amount of aid to correct recipient at correct time
  - Minimizes need for after-the-fact reconciliation of data
  - Streamline the institution application for eligibility process, making the process less burdensome.
- B. Streamlined and simplified student financial aid delivery process
  - Maximizes use of a single set of integrated processes for all programs across the life cycle
  - Standardizes data exchanged among participants
  - Affords flexibility to accommodate other programs through use of industry-standard processes/best practice
  - Secured access/delivery of data to only authorized parties
- C. Improved information resource
  - Accessible to all users (i.e., students, prospective students, families, schools, lenders, etc.)
  - Timely, accurate, full-life-cycle information
  - Single point of interface with postsecondary education community regarding Federal financial aid
  - Secured access/delivery of data to only authorized parties

Project EASI/ED will satisfy requirements specifically associated with financial aid program accounting. These requirements span the Disbursement and Repayment functional areas providing tight financial control throughout the student financial aid delivery system. Integrating the accounting function for the Title IV programs gives ED much more visibility into Department receipts, expenditures, and financial controls.

Based on the above analysis, this function is assigned the following ratings shown in Figure 5-23 for each of the criteria:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>ACCOUNTING</b>					
22	Integrated Accounting Management	5	3	3	3	3

**Figure 5-23, Integrated Accounting Management Criteria Ratings**



## 5.7 Summary of Rating

Table 5-7 below summarizes all Project EASI/ED functions and their associated criteria rating:

Function Number	Project EASI/ED Subject Areas and Functions	30%	12%	34%	17%	7%
		Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings
	<b>INFORMATION SHARING</b>					
1	Interactive Student and Aid Organization Accounts	5	5	3	3	3
	<b>APPLICATION</b>					
2	Interactive Application Processing and Renewal	3	5	3	3	5
3	Pre-Enrollment Financial Aid Simulation Modeling	3	5	1	1	1
4	Multi-Year Promissory Note Processing	1	1	3	1	1
	<b>DISBURSEMENT</b>					
5	Common Aid Origination	3	3	3	3	5
6	Interactive Participant Disbursement Authorization	1	3	3	3	1
7	Draw Down School Disbursement Authorization	1	1	3	1	5
8	Invoice and Schedule Disbursement Authorization	3	3	3	3	1
9	Disseminate School Disbursement Information	3	3	3	3	3
10	Perform Draw Down Reconciliation	3	1	1	1	3
11	Fund Source Disbursement	1	3	3	3	1
12	State Authorization Management	3	3	3	3	1
13	Consolidation Processing	3	3	3	3	3
14	Enrollment Tracking and Reporting	5	5	3	3	3
	<b>REPAYMENT</b>					
15	Repayment Option Modeling and Selection/Repayment Counseling	3	5	1	1	1
16	Customer Service Management	3	5	3	1	3
17	Repayment Maintenance	3	5	3	3	5
18	Defaulted Debt Collection	3	3	3	3	3
	<b>PROGRAM MANAGEMENT AND OVERSIGHT</b>					
19	School Eligibility and Data Maintenance	3	3	3	5	5
20	Guarantor and Lender Information Maintenance	3	3	3	5	1
21	Program Data and Performance Information Management	5	3	3	3	3
	<b>ACCOUNTING</b>					
22	Integrated Accounting Management	5	3	3	3	3

**Table 5 - 7, Project EASI/ED Function Evaluation Summary**

Once the functions have been compared to each criterion to determine their relative strengths, calculations can be performed to determine the combined weighted score for each function. This calculation is made by multiplying each criterion's relative importance percentage by the rating for each function for that criterion. This calculation is performed across all functions and criteria resulting in a table of weighted values for each function. A total weighted score for each function is calculated and the table is then sorted on the total weighted score. The higher the total weighted score of the function, the more it supports the strategic goals and objectives of Project EASI/ED.

Table 5-8 below displays the results of the calculation, and the total weighted score for each function sorted in descending order.

		30%	12%	34%	17%	7%	
Functional Requirement	Target Areas and Functions	Information Resource	Customer Service	Student Financial Aid Delivery	Program Management and Integrity	NPV Cost Savings	Weighted Score
1	Interactive Student and Aid Organization Accounts	1.50	0.60	1.02	0.51	0.21	3.84
14	Enrollment Tracking and Reporting	1.50	0.60	1.02	0.51	0.21	3.84
21	Program Data and Performance Information Management	1.50	0.36	1.02	0.51	0.21	3.60
22	Integrated Accounting Management	1.50	0.36	1.02	0.51	0.21	3.60
19	School Eligibility and Data Maintenance	0.90	0.36	1.02	0.85	0.35	3.48
2	Interactive Application Processing and Renewal	0.90	0.60	1.02	0.51	0.35	3.38
17	Repayment Maintenance	0.90	0.60	1.02	0.51	0.35	3.38
20	Guarantor and Lender Information Maintenance	0.90	0.36	1.02	0.85	0.07	3.20
5	Common Aid Origination	0.90	0.36	1.02	0.51	0.35	3.14
9	Disseminate School Disbursement Information	0.90	0.36	1.02	0.51	0.21	3.00
13	Consolidation Processing	0.90	0.36	1.02	0.51	0.21	3.00
18	Defaulted Debt Collection	0.90	0.36	1.02	0.51	0.21	3.00
16	Customer Service Management	0.90	0.60	1.02	0.17	0.21	2.90
8	Invoice and Schedule Disbursement Authorization	0.90	0.36	1.02	0.51	0.07	2.86
12	State Authorization Management	0.90	0.36	1.02	0.51	0.07	2.86
6	Interactive Participant Disbursement Authorization	0.30	0.36	1.02	0.51	0.07	2.26
11	Fund Source Disbursement	0.30	0.36	1.02	0.51	0.07	2.26
3	Pre-Enrollment Financial Aid Simulation Modeling	0.90	0.60	0.34	0.17	0.07	2.08
15	Repayment Option Modeling and Selection/Repayment Counseling	0.90	0.60	0.34	0.17	0.07	2.08
7	Draw Down School Disbursement Authorization	0.30	0.12	1.02	0.17	0.35	1.96
10	Perform Draw Down Reconciliation	0.90	0.12	0.34	0.17	0.21	1.74
4	Multi-Year Promissory Note Processing	0.30	0.12	1.02	0.17	0.07	1.68

**Table 5 - 8, Project EASI/ED Function Weighted Scores**